

Robert Tenorio Torres
Attorney at Law
P.O. Box 503758
Saipan, MP 96950
Tel: (670) 234-7859

Attorney for Kim Sung Eun, Kim Ki Sung and KSK Corporation

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN MARIANA ISLANDS**

**LI YING HUA, LI ZHENG ZHE,
and XU JING JI,**

Plaintiffs.

vs.

JUNG JIN CORP., a CNMI corporation, ASIA ENTERPRISES, INC., a CNMI corporation, PARK HWA SUN, KIM HANG KWON, KSK CORPORATION, a CNMI corporation, and KIM KI SUNG,

Defendants.

Case No. CV 05-00019

**DECLARATION OF
KIM SUNG EUN IN
SUPPORT OF SPECIAL
APPEARANCE OF KSK
CORPORATION AND KIM
KI SUNG TO OBJECT TO
MOTION TO AMEND
VERIFIED COMPLAINT**

Date:

Time:

Judge: Hon. Alex R. Munson

Village of Chalan Kiya, City of Saipan

1

ss.

Commonwealth of the Northern Mariana Islands

1

I, KIM SUNG EUN, do hereby declare the following:

1. I am a citizen of the Republic of South Korea and a resident of Saipan, CNMI. I am over the age of 18 and have never been convicted of a felony. I make this declaration from my personal knowledge, and if called

EXHIBIT
"A"

1 to testify, could and would do so on the basis of the facts set forth herein.

2 2. I am the President of KSK Corporation, a corporation
3 organized under the laws of the Commonwealth of the Northern Mariana
4 Islands to operate several poker game rooms, and most recently, a
5 laundromat. My mother, Kim Ok Ja, and I own all of the shares of KSK
6 Corporation. My mother and I serve as the officers and directors of the
7 company as well. My husband, Kim Ki Sung, serves as KSK's manager.
8 He runs the day to day operations of the various establishments owned by
9 KSK.

10 3. I have been acquainted with Defendant Kim Hang Kwon and
11 his wife, Defendant Park Hua Sun for many years. Park Hua Sun is the
12 owner of Jung Jin Corporation, while her husband Kim Hang Kwon owns
13 Asia Enterprises, Inc. Together, they operated and owned the Welcome
14 Laundry in the village of Chalan Kanoa, Saipan, as well as the adjoining
15 poker establishment.

16 4. At no time did I or KSK Corporation perform work for or
17 operate Jung Jin corporation. At no time did I have any role in the
18 management of that company or own any shares in the company. Nor did I
19 ever serve as an officer or director of Jung Jin corporation. Neither Jung Jin
20 Corporation, Asia Enterprises, Mrs. Park, nor Kim Hang Kwon own, nor
21

1 have they ever owned, any interest in KSK Corporation. Neither Mrs. Park
2 nor Kim Hang Kwon have ever been employed by KSK Corporation, nor
3 have they ever played any part in the management or operation of the
4 company.

5 5. When Jung Jin Corporation began to experience financial
6 difficulties, my husband agreed to make Mrs. Park and Jung Jin Corporation
7 a loan. Mrs. Park and her company borrowed \$100,000 in December 2004
8 for a term of one year, secured by the assets of Welcome Poker Arcade and
9 Welcome Laundry. Mrs. Park agreed that if the loan could not be repaid by
10 the end of the term, then KSK Corporation would take over the assets of
11 Welcome Poker and Welcome Laundry.
12

14 6. Even after attempting to sell the business, Mrs. Park could not
15 repay the loan. As a result, KSK Corporation took over the operation of the
16 laundromat and poker arcade in early 2006. Four Jung Jin employees
17 transferred to KSK when Welcome Laundry ceased doing business. One
18 Jung Jin employee, Zhang Mei Hua, stayed on to work at the poker arcade.
19 Three other Jung Jin employees, Blandina S. Aban, Elizabeth P. Australia,
20 and Renita V. Obra (who obtained a temporary work authorization) stayed
21 on to work at the laundromat as well.

23 7. After KSK Corporation took over the assets and lease of

1 Welcome Poker, we changed the name to Shany Two Poker. A name
2 change was also made on the poker machine licenses, and they are now
3 licensed to KSK Corporation. My husband and I supervise the running of
4 the poker arcade and the laundry.

5
6 8. Following the transfer of the laundry's machines, we changed
7 the name to Welcome Laundry to Shany Two. The lease for the property
8 has also transferred to KSK Corporation. None of the shareholders,
9 officers, or directors of Jung Jin or Asia Enterprises are involved in the
10 operation of KSK, Shany Laundry, or Shany Two Poker.

11
12 9. All of the employees who transferred to KSK Corporation were
13 paid their wages by Jung Jin Corporation. None of these employees filed a
14 wage complaint.

15
16 10. At no time did I or KSK corporation work for or operate Asia
17 Enterprises. At no time did I have any role in the management of the
18 company or own any shares in that company. Nor did I ever serve as an
19 officer or director of Asia Enterprises.

20
21 I declare under penalty of perjury that the foregoing is true and
22 correct to the best of my knowledge on Saipan, CNMI.
23

1 Signed this 22 day of May, 2006
2
3
4



Kim Sun Eun

5 TRANSLATOR'S CERTIFICATION:
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7

I hereby certify that I am fluent in the Korean language and competent to
translate from English to Korean and Korean to English. I accurately
translated the foregoing English declaration to Ms. Kim Sun Eun and she
verified the English statements as truthful, accurate, and correct.
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1 Robert Tenorio Torres
2 Attorney at Law
3 P.O. Box 503758
4 Saipan, MP 96950
5 Tel: (670) 234-7859

6 Attorney for Kim Sung Eun, Kim Ki Sung and KSK Corporation

7

8 **IN THE UNITED STATES DISTRICT COURT**
9 **FOR THE NORTHERN MARIANA ISLANDS**

10 **LI YING HUA, LI ZHENG ZHE,**
11 **and XU JING JI,**

12 Plaintiffs,

13 **vs.**

14 **JUNG JIN CORP., a CNMI**
15 **corporation, ASIA ENTERPRISES,**
16 **INC., a CNMI corporation, PARK**
17 **HWA SUN, KIM HANG KWON,**
18 **KSK CORPORATION, a CNMI**
19 **corporation, and KIM KI SUNG,**

20 Defendants.

21 **Case No. CV 05-00019**

22 **DECLARATION OF**
23 **KIM KI SUNG IN**
24 **SUPPORT OF SPECIAL**
25 **APPEARANCE OF KSK**
26 **CORPORATION AND KIM**
27 **KI SUNG TO OBJECT TO**
28 **MOTION TO AMEND**
29 **VERIFIED COMPLAINT**

30 Date: _____

31 Time: _____

32 Judge: Hon. Alex R. Munson

33 Village of Chalan Kiya, City of Saipan

34 }

35 ss.

36 Commonwealth of the Northern Mariana Islands

37 }

38 I, **KIM KI SUNG**, do hereby declare the following:

39 1. I am a citizen of the Republic of South Korea and a resident of
40 Saipan, CNMI. I am over the age of 18 and have never been convicted of a
41 felony. I make this declaration from my personal knowledge, and if called

42 **EXHIBIT**
43 **"B"**

1 to testify, could and would do so on the basis of the facts set forth herein.

2 2. I am the manager of KSK Corporation, a corporation organized
3 under the laws of the Commonwealth of the Northern Mariana Islands to
4 operate several poker parlors and most recently, a laundromat. I am not an
5 officer, director, or shareholder of KSK Corporation. In my capacity as
6 manager, however, I run the operations of the business, the shares of which
7 are owned by my wife and her mother.

9 3. I have been acquainted with Defendant Kim Hang Kwon and
10 his wife, Defendant Park Hua Sun for many years. Kim Hang Kwon has
11 been personal friend whom I knew well in Korea. I have known him for
12 more than twenty years.

14 4. When I arrived in the CNMI, I learned that Kim Hang Kwon
15 and Mrs. Park operated a poker establishment known as Welcome Poker. I
16 also learned that they operated a laundry nearby known as Welcome
17 Laundry.

18 5. At no time did I work for or operate Jung Jin Corporation. At
19 no time did I have any role in the management of the company or own any
20 shares in the company. Nor did I ever serve as an officer or director of that
21 company.

23 6. At no time did I work for or operate Asia Enterprises. At no

1 time did I have any role in the management of the company or own any
2 shares in the company. Nor did I ever serve as an officer or director of that
3 company.

4 7. At the end of 2004, Kim Hang Kwon asked me to invest in a
5 poker parlor that was about to open. He complained that he was in trouble
6 because he could not meet his obligations. To assist him, I arranged for the
7 use of my credit card to pay for his poker machine license fees for two
8 quarters. The business lasted for several months, and then it closed. Mr.
9 Kim owed me \$24,000 for license fees advanced as well as \$2,000 interest,
10 totaling \$26,000.

12 8. At the end of 2004, Mr. Kim confided in me that his business
13 was doing badly. When he approached me for a loan at the end of 2004, I
14 agreed to help him and Mrs. Park with their financial difficulties.

16 9. In December of 2004, I loaned Mrs. Park and her company
17 \$100,000. She agreed to repay the loan to KSK Corporation within one
18 year, or by December 1, 2005. To secure the obligation, Mrs. Park offered
19 Welcome's poker machines and Welcome's laundry equipment as
20 collateral. Mrs. Park agreed that if she could not make the payment, she
21 would turn over the poker machines, along with the equipment in the
22 laundromat, and would not bring any legal action to protest or dispute her

1 obligation.

2 10. All in all, the couple owed me \$126,000 for loans and other
3 advances made at the close.

4 11. Mrs. Park continued to experience business problems. In
5 November of 2005, I learned that she and Mr. Kim were trying to sell their
6 business to repay my loans. Mr. Kim and Mrs. Park made known their
7 intent to sell, and even advertised in Korean weekly newspaper for a buyer.

8 12. Mrs. Park and Mr. Kim told me that they could not repay the
9 money. They proposed to transfer their businesses to me to satisfy the
10 loans.

11 13. To cancel \$26,000 of their outstanding obligation, Mrs. Park
12 and Jung Jin Corporation agreed to transfer their title and interest in their
13 poker machines to KSK corporation, effective January 1, 2006. To satisfy
14 the remaining \$100,000 in outstanding loans, Mr. Park and Jung Jin
15 proposed to transfer all of their right, title, and interest in the 55 laundry
16 machines operated through Welcome Laundry, effective January 1, 2006.
17 In conjunction with the transfer of the poker and laundry equipment,
18 effective December 30, 2005, Mrs. Park and Jung Jin Corporation
19 subleased the premises, then occupied by the poker and laundry, to my wife
20 and her company for the remaining four years of the outstanding lease.

1 Some, but not all, of Welcome's employees, transferred to KSK after the
2 equipment transfer.

3 14. Prior to completing the transfer of property, I learned that
4 certain employees of Asia Enterprises and Jung Jin Corporation were angry
5 and concerned over the closing and the loss of work. I also learned from the
6 newspaper that the employees had filed a complaint against the companies.
7
8 Prior to taking over the companies, I did not know the reasons for the
9 employee complaints or that any of the employees had not been paid their
10 wages. No worker ever came to me to complain about money or wages
11 owing. No Jung Jin Corporation or Asia Enterprises employee taken over
12 by KSK was owed unpaid overtime or other wages. I believed that the
13 employees were dissatisfied because there was no work.
14

15 15. Prior to transferring the assets of Jung Jin Corporation, Kim
16 Hang Kwon told me that the employees had all been paid their salaries, and
17 never disclosed to me that they had not been paid for their work. I believed
18 that the companies were closing down for lack of business.
19

20 16. In February of 2006, someone delivered a subpoena for my
21 wife to appear and bring documents to the office of Mark B. Hanson. The
22 document commanded her to appear and produce the documents on March
23 3, 2006 at 4:00 p.m.

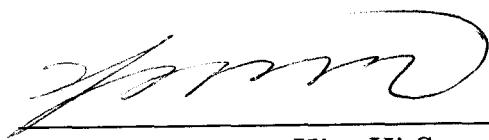
1 17. Because my wife was off-island, I showed up with the
2 documents at Mr. Hanson's office. My knowledge of the English language
3 is extremely limited. I did not know that I could refuse to appear, or that I
4 did not have to answer any questions. I did not know that I could have an
5 attorney accompany me.

6
7 18. I did not believe that I would need an attorney prior to
8 answering any questions. Plaintiff's lawyer had a translator on the
9 premises, and Plaintiff's lawyer repeatedly assured me that he was not
10 interested in collecting any money from me. Plaintiff's lawyer said on
11 several occasions that his clients were not making any claims against me.
12 Had Plaintiffs' lawyer told me that Plaintiffs were seeking to collect money
13 from me, or that there were claims being made against me, I would not have
14 responded to any questions without first talking with my attorney. I would
15 not have released to Plaintiffs any of the documents I brought.

16
17 19. I was never provided a copy of the deposition transcript to
18 review and sign. I do not know whether Plaintiff's lawyer understood my
19 responses to his questions or whether he took down my responses
20 accurately.

21
22 I declare under penalty of perjury that the foregoing is true and
23 correct to the best of my knowledge.

1 Signed this 22 day of May, 2006
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Kim Ki Sung

5
6 TRANSLATOR'S CERTIFICATION:
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9 I hereby certify that I am fluent in the Korean language and competent to
10 translate from English to Korean and Korean to English. I accurately
11 translated the foregoing English declaration to Ms. Kim Sun Eun and she
12 verified the English statements as truthful, accurate, and correct.
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COPY**ANNUAL CORPORATION REPORT**

Application Fee \$50.00 / Make Check Payable to: CNMI TREASURER
 One Original and Two Copies

FILING: THE INITIAL REPORT MUST BE FILED WITHIN 60 DAYS OF INCORPORATION.
 ANNUAL REPORT MUST BE FILED ON OR BEFORE MARCH 1ST OF EACH YEAR.

FILE WITH: REGISTRAR OF CORPORATIONS
 Department of Commerce
 2nd Floor, Joeten Dandan Building Room 27
 Caller Box 10007
 Saipan, MP 96950

INITIAL REPORT: REPORT FOR THE YEAR 2005
 Domestic Corporation Foreign Corporation

2006 FEB -7 AM 10:35

R. Leeu

Name, Mailing Address & Telephone No. of Corporation: KSK Corporation, Inc. (Attach map showing location if address is only a P. O. Box)
 PO Box 502926 CK,
 Saipan, MP 96950

Telephone Number: 670-287-5077

Name, Mailing Address & Telephone No. of Registered Agent: (Attach Map showing location if address is only a P. O. Box)
Chong M. Won
 PO Box 505833 CK,
 Saipan, MP 96950

Telephone Number: 670-234-5000

LIST OF DIRECTORS:

<u>Name</u>	<u>Nationality</u>	<u>Address</u>
Kim, Sung Eun	Korean	PO Box 502926 CK, Saipan, MP 96950
Kim, Ok Ja	Korean	PO Box 502926 CK, Saipan, MP 96950

LIST OF OFFICERS:

<u>Name</u>	<u>Position</u>	<u>Nationality</u>	<u>Address</u>
Kim, Sung Eun	President	Korean	Same as above
Kim, Ok Ja	V-President/Treasurer	Korean	Same as above
Ayuyu, Anthony Cruz	Secretary	U.S.	PO Box 504391, Saipan, MP 96950

DESCRIPTION OF BUSINESS ACTIVITIES - List all lines of business:

Amusement:poker , Retail Store, & Laundromat

STOCK ISSUED AND OUTSTANDING:

<u>Number of Shares</u>	<u>Class of Shares</u>	<u>Amount Paid for Shares</u>
200,000 shares	Common Stock	\$ 20.00 per share

NAME OF SHAREHOLDERS	IMMIGRATION STATUS	NATIONALITY	NUMBER OF SHARES HELD
Kim, Sung Eun		Korean	180,000 shares
Kim, Ok Ja		Korean	20,000 shares

Signature: *J. Leeu*

KIM, SUNG EUN - PRESIDENT

PRINT NAME & TITLE OF PERSON SIGNING

(Must be Director or Officer of the Corporation.)

DATE 2/6/06

EXHIBIT

'C'